

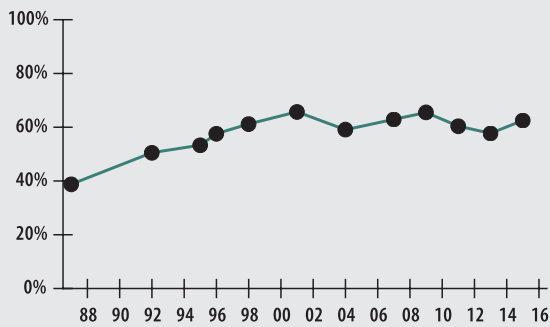
Somerville

City Hall Annex
50 Evergreen Avenue
Somerville, MA 02145
Phone 617-625-6600
Fax 617-666-4325

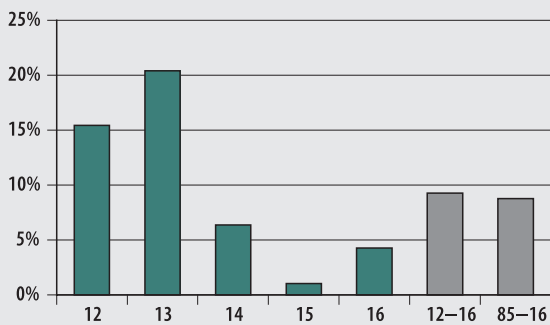
Board Members
Edward F. Bean, Jr. (Chairperson),
Robert K. Massie, John M. Memory,
Alex Nosnik, Thomas Ross

Board Administrator
Michael Pasquariello
Board Meeting
Varies

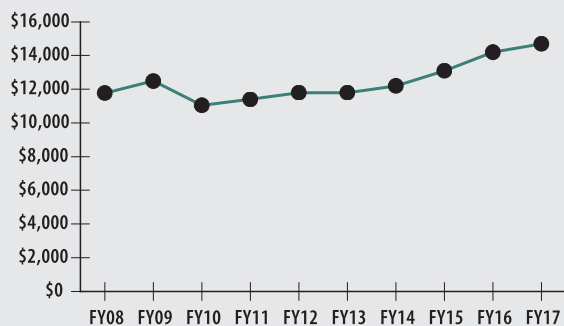
FUNDED RATIO (1987-2016)



INVESTMENT RETURN (2012-2016, 5 YEAR AND 32 YEAR AVERAGES)



10-YEAR HISTORY OF APPROPRIATIONS (IN THOUSANDS)



INVESTMENT RETURN HISTORY

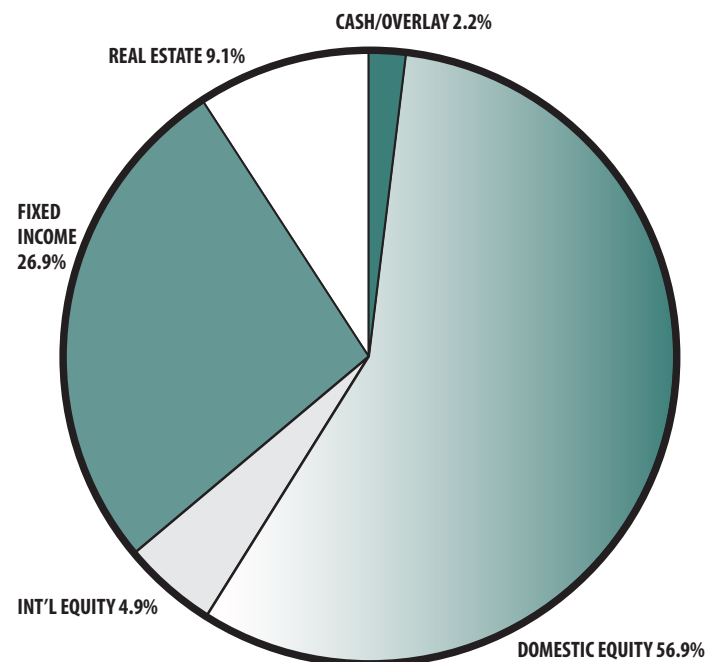
32 years 2016 8.79%	31 years 2015 8.94%	30 years 2014 9.21%
10 years 2016 6.32%	10 years 2015 7.07%	10 years 2014 7.67%
5 years 2016 9.28%	5 years 2015 8.90%	5 years 2014 11.55%

ACTUARIAL

▶ Funded Ratio	62.5%
▶ Date of Last Valuation	01/15
▶ Actuary	Sherman Actuarial Services, LLC
▶ Assumed Rate of Return	8.25%
▶ Funding Schedule	4.0% Increasing
▶ Year Fully Funded	2034
▶ Unfunded Liability	\$139.1 M
▶ Total Pension Appropriation (Fiscal 2017)	\$14.7 M

	ACTIVE	RETIRED
▶ Number of Members	1,181	911
▶ Total Payroll/Benefit	\$66.5 M	\$24.1 M
▶ Average Salary/Benefit	\$56,300	\$26,500
▶ Average Age	NA	74
▶ Average Service	NA	NA

ASSET ALLOCATION (12/31/16)



EARNED INCOME OF DISABILITY RETIREES (2015)

▶ Number of Disability Retirees	94
▶ Number Who Reported Earnings	25
▶ Number of Excess Earners	1
▶ Total Amount of Refund Due	\$111.52

▶ 2016 Return	4.29%
▶ 2016 Market Value	\$242.9M
▶ 2012-2016 (Annualized)	9.28%
▶ 1985-2016 (Annualized)	8.79%